

Human Services and Public Health Executive Summary 2026 Proposed Budget

October 23, 2025



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2026 Budget Hearing Schedule

2026 PROPOSED BUDGET

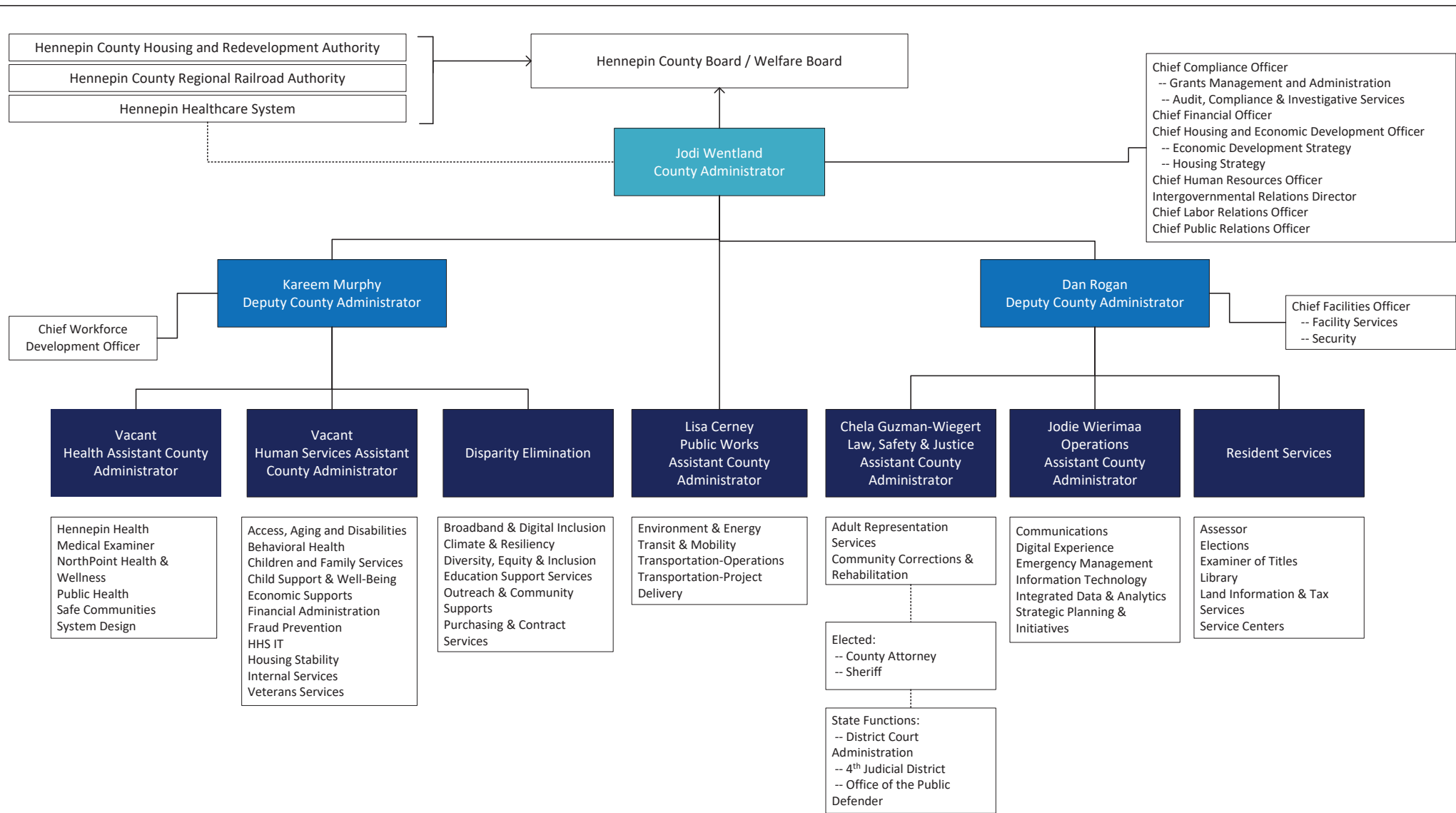
As presented on September 16, 2025

LOB/Department	Budget				Property Tax Requirement				Full-Time Equivalents (FTEs)			
	2025 Adjusted	2026 Proposed	Change 2025-2026	% Change 2025-2026	2025 Adjusted	2026 Proposed	Change 2025-2026	% Change 2025-2026	2025 Adjusted	2026 Proposed	Change 2025-2026	% Change 2025-2026
Public Works												
Public Works Services (F10)												
Public Works Administration	7,620,754	7,850,619	229,865	3.0%	3,481,830	3,660,305	178,475	5.1%	42.0	43.0	1.0	2.4%
Transit and Mobility	1,168,218	994,063	(174,155)	(14.9%)	0	0	0	0.0%	12.0	12.0	0.0	0.0%
Transportation Project Delivery	28,302,648	28,791,223	488,575	1.7%	14,627,138	14,631,958	4,820	0.0%	171.1	171.0	(0.2)	(0.1%)
Transportation Operations	45,915,256	45,420,422	(494,834)	(1.1%)	5,450,467	4,738,361	(712,106)	-13.1%	138.1	137.3	(0.8)	(0.6%)
Environment and Energy (F34)	105,519,827	110,989,372	5,469,545	5.2%	0	0	0	0.0%	118.2	118.2	0.0	0.0%
Glen Lake Golf Course (F89)	1,153,596	1,221,876	68,280	5.9%	0	0	0	0.0%	-	-	0.0	0.0%
County Transportation Sales Tax (F26)	1,400,000	1,700,000	300,000	21.4%	0	0	0	0.0%	-	-	0.0	0.0%
Metro Area Transportation (F23)	0	0	0	0.0%	0	0	0	0.0%	-	-	0.0	0.0%
Public Works Total	191,080,299	196,967,575	5,887,276	3.1%	23,559,435	23,030,624	(528,811)	-2.2%	481.4	481.4	0.0	0.0%
Law, Safety and Justice												
Law, Safety and Justice Operations	16,276,304	16,106,158	(170,146)	(1.0%)	15,442,699	15,471,553	28,854	0.2%	75.5	74.5	(1.0)	(1.3%)
County Attorney's Office	87,949,516	92,226,160	4,276,644	4.9%	81,278,444	85,261,646	3,983,202	4.9%	521.6	521.6	0.0	0.0%
Adult Representation Services	20,552,122	22,962,667	2,410,545	11.7%	18,442,122	21,349,667	2,907,545	15.8%	108.0	115.0	7.0	6.5%
Court Functions	186,532	190,263	3,731	2.0%	186,532	190,263	3,731	2.0%	0.0	-	0.0	0.0%
Public Defender's Office	9,144,756	4,457,035	(4,687,721)	(51.3%)	4,002,756	4,415,035	412,279	10.3%	17.8	17.3	(0.5)	(2.8%)
Sheriff's Office	169,245,647	182,451,997	13,206,350	7.8%	144,098,469	162,605,280	18,506,811	12.8%	883.0	883.0	0.0	0.0%
Community Corrections	144,646,429	150,419,227	5,772,798	4.0%	113,259,258	121,226,786	7,967,528	7.0%	918.7	889.8	(28.9)	(3.1%)
Radio Communications (F38)	4,234,016	4,813,721	579,705	13.7%	0	0	0	0.0%	0.0	-	0.0	0.0%
Law, Safety and Justice Total	452,235,322	473,627,228	21,391,906	4.7%	376,710,280	410,520,230	33,809,950	9.0%	2,524.6	2,501.2	(23.4)	(0.9%)
Health												
Hennepin Health (F30)	353,246,443	502,050,991	148,804,548	42.1%	0	0	0	0.0%	132.0	132.0	0.0	0.0%
NorthPoint Health & Wellness Center	55,312,825	57,263,906	1,951,081	3.5%	14,232,320	15,856,189	1,623,869	11.4%	293.3	280.4	(12.9)	(4.4%)
Medical Examiner's Office	11,863,142	12,469,249	606,107	5.1%	8,178,206	8,677,605	499,399	6.1%	66.1	64.1	(2.0)	(3.0%)
Community Healthcare	38,000,000	38,000,000	0	0.0%	38,000,000	38,000,000	0	0.0%	0.0	-	0.0	0.0%
Health Administration & Support	692,967	1,124,077	431,110	62.2%	290,227	1,124,077	833,850	287.3%	3.0	8.0	5.0	0.0%
Sexual Assault Resources Services	50,000	200,000	150,000	300.0%	50,000	200,000	150,000	300.0%	0.0	0.0	0.0	0.0%
Health Total	459,165,377	611,108,223	151,942,846	33.1%	60,750,753	63,857,871	3,107,118	5.1%	494.4	484.5	(9.9)	(2.0%)
Human Services												
HSPH Human Services (F20)	840,854,459	841,305,387	450,928	0.1%	313,249,169	319,020,783	5,771,614	1.8%	3,955.8	3,718.4	(237.4)	(6.0%)
Opioid Special Revenue (27)	9,800,661	4,753,712	(5,046,949)	(51.5%)	0	0	0	0.0%	0.0	-	0.0	0.0%
Human Services Total	850,655,120	846,059,099	(4,596,021)	(0.5%)	313,249,169	319,020,783	5,771,614	1.8%	3,955.8	3,718.4	(237.4)	(6.0%)
Disparity Reduction												
Disparity Reduction Administration	14,399,204	14,531,303	132,099	0.9%	3,899,204	4,006,303	107,099	2.7%	18.0	18.0	0.0	0.0%
Broadband & Digital Inclusion	2,895,515	2,720,121	(175,394)	(6.1%)	2,895,515	2,720,121	(175,394)	-6.1%	14.0	12.0	(2.0)	(14.3%)
Workforce Development	11,393,730	9,092,867	(2,300,863)	(20.2%)	5,843,281	5,960,056	116,775	2.0%	13.5	14.5	1.0	7.4%
Outreach and Community Supports	2,335,298	2,362,195	26,897	1.2%	2,335,298	2,362,195	26,897	1.2%	15.0	11.0	(4.0)	(26.7%)
Education Support Services	3,393,467	3,461,336	67,869	2.0%	3,393,467	3,461,336	67,869	2.0%	21.0	21.0	0.0	0.0%
Purchasing and Contract Services	5,932,335	6,044,979	112,644	1.9%	5,932,335	6,044,979	112,644	1.9%	38.3	38.0	(0.3)	(0.8%)
Climate and Resiliency	10,495,357	2,132,601	(8,362,756)	(79.7%)	1,695,967	1,729,886	33,919	2.0%	10.0	10.0	0.0	0.0%
Disparity Reduction Total	50,844,906	40,345,402	(10,499,504)	(20.7%)	25,995,067	26,284,876	289,809	1.1%	129.8	124.5	(5.3)	(4.1%)
Resident Services												
Resident Services Administration	11,967,877	12,509,024	541,147	4.5%	9,610,543	10,050,516	439,973	4.6%	50.8	50.8	0.0	0.0%
Land Information and Tax Services	24,795,833	24,377,909	(417,924)	(1.7%)	10,753,463	10,681,453	(72,010)	-0.7%	162.0	161.0	(1.0)	(0.6%)
Service Centers	15,141,927	299,788	(14,842,139)	(98.1%)	9,624,259	9,723,517	99,258	1.0%	144.5	141.0	(3.5)	(2.4%)
Elections	7,137,008	10,645,702	3,508,694	49.2%	6,379,408	10,419,852	4,040,444	63.3%	37.7	66.5	28.8	76.4%
Assessor	10,571,788	12,678,241	2,106,453	19.9%	10,542,288	12,643,241	2,100,953	19.9%	71.0	84.0	13.0	18.3%
Examiner of Titles	1,705,519	1,704,929	(590)	(0.0%)	1,705,519	1,704,929	(590)	0.0%	9.0	9.0	0.0	0.0%
Libraries	80,999,702	84,842,299	3,842,597	4.7%	71,662,469	73,628,791	1,966,322	2.7%	581.6	581.6	0.0	0.0%
Resident Services	152,319,654	162,199,819	9,880,165	6.5%	120,277,949	128,852,299	8,574,350	7.1%	1,056.6	1,093.9	37.3	3.5%

2026 PROPOSED BUDGET
As presented on September 16, 2025

LOB/Department	Budget				Property Tax Requirement				Full-Time Equivalents (FTEs)			
	2025	2026	Change	% Change	2025	2026	Change	% Change	2025	2026	Change	% Change
	Adjusted	Proposed	2025-2026	2025-2026	Adjusted	Proposed	2025-2026	2025-2026	Adjusted	Proposed	2025-2026	2025-2026
Operations												
Commissioners	4,441,751.0	4,401,826	(39,925)	(0.9%)	4,441,751	4,401,826	(39,925)	-0.9%	27.0	26.0	(1.0)	(3.7%)
County Administration	4,975,462.0	5,544,369	568,907	11.4%	4,581,962	5,150,869	568,907	12.4%	19.0	21.0	2.0	10.5%
Compliance	1,558,487.0	1,685,059.0	126,572	8.1%	1,558,487	1,685,059	126,572	8.1%	8.0	8.0	0.0	0.0%
Grants Management and Administration	2,408,553.0	2,433,577	25,024	1.0%	2,408,553	2,433,577	25,024	1.0%	14.0	14.0	0.0	0.0%
Strategic Planning and Initiatives	3,054,397.0	2,919,886	(134,511)	(4.4%)	3,054,397	2,919,886	(134,511)	-4.4%	18.0	18.0	0.0	0.0%
Integrated Data and Analytics	2,481,389.0	2,481,389	0	0.0%	2,456,389	2,456,389	0	0.0%	13.0	13.0	0.0	0.0%
Housing and Economic Development	35,878,718.0	20,571,520	(15,307,198)	(42.7%)	2,993,536	2,700,294	(293,242)	-9.8%	57.0	53.0	(4.0)	(7.0%)
Budget & Finance	19,878,857.0	20,314,080	435,223	2.2%	18,906,357	19,431,580	525,223	2.8%	98.1	97.1	(1.0)	(1.0%)
Facility Services	77,688,630.0	78,232,051	543,421	0.7%	65,187,707	65,221,341	33,634	0.1%	296.7	296.6	(0.1)	(0.0%)
Information Technology	5,674,259.0	5,787,823	113,564	2.0%	5,674,259	5,787,823	113,564	2.0%	25.1	23.1	(2.0)	(8.0%)
Human Resources	21,123,304.0	21,904,035	780,731	3.7%	21,053,304	21,834,035	780,731	3.7%	127.9	126.9	(1.0)	(0.8%)
Audit, Compliance and Investigations	4,776,815.0	4,862,239	85,424	1.8%	4,776,815	4,862,239	85,424	1.8%	25.7	24.7	(1.0)	(3.9%)
Emergency Management	3,310,366.0	3,245,779	(64,587)	(2.0%)	1,529,417	1,529,417	0	0.0%	15.5	15.5	0.0	0.0%
Communications	9,661,482.0	9,757,771	96,289	1.0%	9,039,050	9,124,891	85,841	0.9%	62.8	57.8	(5.0)	(8.0%)
Digital Experience	3,592,571.0	3,592,571	0	0.0%	3,592,571	3,592,571	0	0.0%	23.0	23.0	0.0	0.0%
Operations Administration	3,353,472.0	4,179,151	825,679	24.6%	3,353,472	4,179,151	825,679	24.6%	19.0	20.0	1.0	5.3%
General County Purposes	14,927,972.0	16,651,092	1,723,120	11.5%	9,562,582	9,012,992	(549,590)	-5.7%	0.0	-	0.0	0.0%
Subtotal: Operations Depts	218,786,485.0	208,564,218	(10,222,267)	(4.7%)	164,170,609	166,323,940	2,153,331	1.3%	849.8	837.7	(12.1)	(1.4%)
Contingency	3,604,377.0	10,000,000	6,395,623	177.4%	3,604,377	10,000,000	6,395,623	177.4%	0.0	-	0.0	0.0%
Debt Retirement (F70)	154,402,775	175,373,947	20,971,172	13.6%	108,000,000	129,000,000	21,000,000	19.4%	0.0	-	0.0	0.0%
Ballpark Debt Retirement (F79)	10,279,250	1,280,750	(8,998,500)	(87.5%)	0	0	0	0.0%	0.0	-	0.0	0.0%
Local Affordable Housing Aid Fund (F24)	0.0	0	0	0.0%	0	0	0	0.0%	0	-	0.0	0.0%
Ballpark Sales Tax Programs (F25)	2,703,000.0	2,863,464	160,464	5.9%	0	0	0	0.0%	0.0	-	0.0	0.0%
Operations Total	389,775,887.0	398,082,379	8,306,492	2.1%	275,774,986	305,323,940	29,548,954	10.7%	849.8	837.7	(12.1)	(1.4%)
Capital Improvements (F51 - F57)	568,447,769	365,910,350	(202,537,419)	(35.6%)	902,000	1,793,000	891,000	98.8%	0.0	-	0.0	0.0%
Total (w/o Internal Services)	3,114,524,334	3,094,300,075	(20,224,259)	(0.6%)	1,197,219,639	1,278,683,623	81,463,984	6.8%	9,492.3	9,241.6	(250.7)	(2.6%)

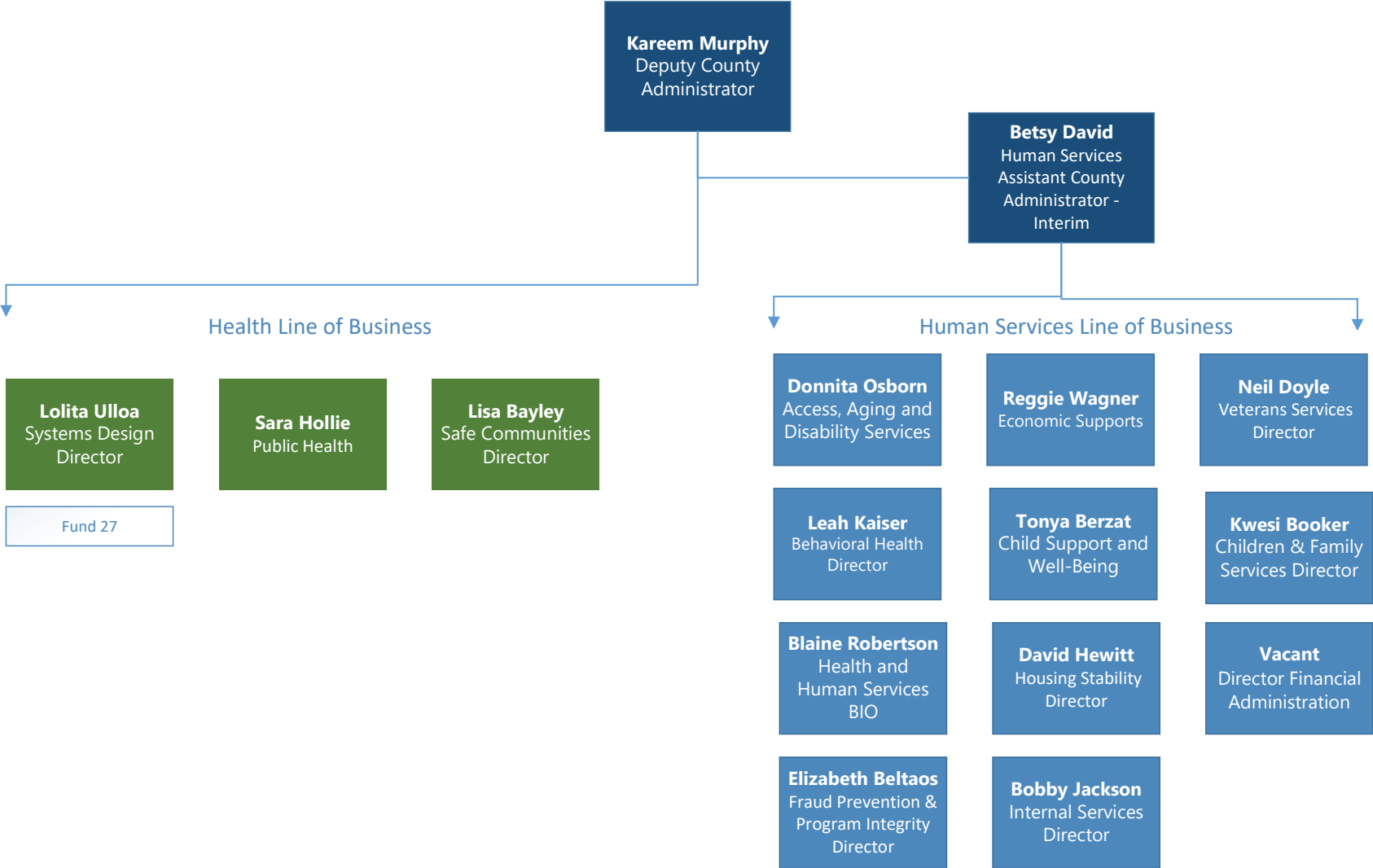
Hennepin County Organizational Chart



Organizational chart represents reporting relationships for assistant county administrators, chief officers and directors.

Last updated: 9/8/2025

Human Services Public Health (Fund 20)
Directors



Executive summary

Mission

Human Services' mission is to strengthen individuals, families and communities as we strive to help them achieve the desired outcomes of safety, stability, self-sufficiency and well-being for the people we serve.

Addressing racism as a public health crisis

Hennepin County recognizes that racism is a public health crisis. The goal of the Human Services line of business is to co-create equitable and innovative solutions to eliminate disparities and advance race equity across Hennepin County. We work across lines of business to make long-term positive impacts in the domains of education, employment, health, housing, income, justice and connectivity. The Human Services line of business provides direction, coordination, and strategy to foster institutional change that reduces and eliminates disparities in Hennepin County.

Contributions to disparity elimination

Housing domain

- **Housing people experiencing homelessness** – This ongoing strategy and work to move people from homelessness to housing has now housed over 2,200 residents as of September 2025. We will continue this strategy into 2026, along with ongoing targeted efforts to reduce the demand for family shelter and upstream work to reduce evictions and new entries into homelessness.
- **Partnering to support families with housing** – Vista 44 and Emerson Village are supportive housing communities with dedicated units for families exiting homelessness or involved in the child welfare system – ranging from families receiving preventative services to those planning for reunification. A collaboration between Children and Family Services and Housing Stability with capital funding from Housing and Economic Development, the program's goal is to make services as accessible as possible, while still empowering families to make their own choices. Families can stay as long as they need to stabilize and achieve their goals for self-sufficiency. We give priority to the families that face the greatest number of barriers to finding stable housing on their own, and cases where lack of housing could delay reunification or send children deeper into the system.
- **Making homes more livable** – The Adult Access Major Cleanup program for residents of Hennepin County promotes housing stability by preventing homelessness that could occur due to unsafe living conditions. This program partners with Economic Supports to leverage Emergency General Assistance funding and contracts services from two providers.
- **Supporting people in their homes** – Hennepin County is ahead of the state average for those served in their homes across all home- and community-based waiver programs. Notably, in-home participation in the Developmental Disabilities (DD) program increased from 51.9% served 2019 to 66.8% in 2023. Those on the DD waiver served in residential settings dropped from 48.1% in 2019 to 33.2% in 2023.

Health domain

- **Connecting uninsured hospital patients to medical insurance benefits** – In 2025, Economic Supports staff expanded support work at selected HHS community healthcare clinics. The clinics are located in areas serving larger numbers of households of color that often experience

disproportionate levels of uninsurance. Embedded staff guide residents applying for Medical Assistance, an effort that should minimize uncompensated care impacts to Hennepin Healthcare.

- **Providing equitable access to waivers** – Long-term Services and Supports (LTSS) . established a Triage Team to support residents waiting for a MnCHOICES assessment with disability certification and Medical Assistance eligibility support. The triage team members act as liaisons between LTSS Initial Assessments and other close partners, including Initial Contact and Access and Economic Supports. The Initial Assessments area is leveraging wait list data to identify equitable solutions for assignments.
- **Advancing best practice system emergency mental health services** – Hennepin County continues to invest in the mental health crisis response system to reduce disparities and improve outcomes. The number of youth and families who have received support through our Family Response and Stabilization Services has doubled. In 2026 further changes will align COPE and the Embedded Social Worker Program to expand access by coordinating resources across programs and designing a sustainable model that leverages the financial model of the Certified Community Behavioral Health Clinic.
- **Continuing to build out the Behavioral Health Center at 1800 Chicago** – We are leveraging the space to expand treatment and services for youth with complex needs and crisis stabilization. We intentionally designed this center to meet the needs of this distinct population, blending best practice, local data and incorporating stakeholder engagement, including young people and families. The new youth stabilization center will serve young people with a of range significant needs, severe underlying trauma, often several overlapping diagnoses, such as major depression with suicidality, substance use disorders and intellectual and developmental disabilities.

Income domain

- **Focusing on income solutions for veterans experiencing homelessness** – Veterans Services will continue to fund 1 FTE to work alongside veterans specific Housing Stability staff to focus on income solutions for veterans experiencing homelessness.
- **Expanding SNAP renewal outreach pilot** – In 2025, Economic Supports is partnering with Second Harvest Heartland on a pilot to increase SNAP renewal rates for households with children. More than 70% of children receiving SNAP benefits in Hennepin County identify as people of color. Ensuring that eligible families remain on the SNAP program frees up their household income for other essential needs such as rent and utilities. Data show that many households fail to submit all required paperwork and verifications in a timely manner to keep their cases open or churn off the program altogether. To assist in renewal, staff from Second Harvest Heartland make outreach calls, explain the renewal process, and when necessary, can help fill out and submit paperwork on behalf of residents.
- **Simplifying SNAP and cash interview process** – More than 50% of county residents receiving SNAP or cash benefits are identify as people of color, so reducing administrative barriers and ensuring a timely resident experience while accessing SNAP is essential to reducing disparities and improving income supports in household budgets. In 2025, Economic Supports launched a new pilot that provides a dedicated phone number and staffing for residents needing to complete their interviews for pending SNAP and cash applications. Interviews are a requirement of most SNAP and cash benefit programs, and missing an interview can result in residents being denied for benefits that they would otherwise be eligible for. This pilot has proven to be successful in improving customer service and processing outcomes, and in reducing the percentage of applications denied due to missed

interviews. In its first five months, staff completed more than 10,000 interviews and subsequent application determinations, and call wait time averaged less than one minute.

- **Engaging noncustodial parents in Child Support cases** – Data around compliance with child support order payments demonstrates inequities for lower income noncustodial parents, resulting in more frequent punitive legal measures including contempt and jail time. Child Support has created a nonpunitive, engagement-focused process of reinforcing compliance with court orders. The goal is to increase consistent support payments for children and make sure that low-income parents are not treated unfairly because their support obligations do not reflect their ability to pay.
- **Increasing reviews of child support adjustments** – Minnesota is one of only four states that uses a COLA process to meet the federal requirement of reviewing cases for financial adjustment every three years. Currently, all child support cases with orders receive a COLA increase on a two-year schedule, regardless of verification of change in income. This process disproportionately affects low-income noncustodial parents who cannot utilize the courts to challenge COLA changes due to lack of resources and income. The goal of the reform is to replace COLA with a process of reviewing and adjusting orders every three years for all TANF cases based on verification of income changes. Families are better served when child support orders are reviewed regularly and accurately reflect the parents' incomes and families' circumstances.

Employment domain

- **Providing employment supports to noncustodial parents** – Hennepin County is collaborating with the Minnesota Department of Children and Families (DCYF) other counties and community providers to develop and providing employment supports to noncustodial parents who face barriers, disparities and lack of resources in locating and securing sustainable employment.
- **Helping working families cover the cost of child care** – We help low-income families to become self-sufficient by providing temporary assistance to pay for child care. The child care assistance program is available for children aged 12 or younger, or 14 or younger if a child has special needs. Additionally, we partner with employment service and daycare providers, human services finance team, and DCYF to collectively deliver timely services to eligible parents.

Justice domain

- **Improving safety for survivors of domestic violence** – The SAVES Grant (Safe Access for Victims' Economic Security) is a partnership between Hennepin and Ramsey counties' child support programs and DCYF to implement comprehensive domestic violence safety policies, procedures, and outreach activities to increase access to child support, public assistance and parenting time services for parents who are not currently receiving child support due to safety concerns, to promote financial independence and ensure children's financial, emotional, and medical needs are met.
- **Providing technical assistance for mandated reporters** – Most child protection reports come from mandated reporters. The law requires school personnel, law enforcement, medical providers and social services workers to report instances of suspected child abuse and maltreatment. Children and families of color are overrepresented in the child protection system, a disparity that begins at the point of reporting. Technical assistance for mandated reporters gives agencies a closer look at the disparities affecting children in their communities and empowers them with resources to support families and prevent unnecessary child protection involvement. During the six-month program, agencies review a customized snapshot of their reporting trends, followed by multiple trainings to

address implicit bias and historical trauma. Importantly, agencies also build connections with community partners and create an inventory of community-based services available to the children and families they work with.

- **Providing supportive prenatal safety planning for families** – To promote safe, healthy pregnancies and families, we're using a new approach to support pregnant people who've previously lost parental rights or legal custody of children due to substance use or mental health concerns. As part of the voluntary program Going Home Together, Child Protection partners with providers to engage with expecting parents before birth, which is otherwise prevented by Minnesota statute. Newborns can stay with their parents and/or kin whenever possible and avoid unexpected, traumatic separations. Families of color experience a disproportionate number of removals and losses of custody. By assessing and planning for safety ahead of time, we can reduce those disparities and improve parents' experiences with the child welfare system by offering hope and clarity that their babies can stay with them after they are born.
- **Protecting vulnerable adults** – The Adult Protection/Law Enforcement Multidisciplinary Team provides an infrastructure of various professionals – law enforcement, city and county attorneys' offices, medicine, mental health, public health, and social services – to advance justice in a holistic manner that respects the autonomy of older adults and people with disabilities. By working collaboratively, we can better protect vulnerable adults, and hold accountable those people alleged to be responsible for abuse. More effective interventions can also stop or reduce maltreatment involving financial exploitation, physical and sexual abuse, caregiver neglect, and self-neglect.
- **Offering community-based support for justice-involved adults and youth** – Adult and Child Access teams are becoming increasingly involved in addressing justice disparities in partnership with the Behavioral Health service area. Child Access participates in weekly consultation around justice-involved youth and Rule 20 competency hearings and may be assigned to support youth to stabilize in the community. Adult Access receives referrals from the Corrections department seeking social service support for adults coming transitioning out of the corrections system into the community. The Child Access team focuses on the education domain by working with vulnerable youth and families in our community to build a network of support to achieve educational success.

Education domain

- **Improving family stability and school attendance** – Connect for School Success is a voluntary, parent-driven program supporting families whose children have significant barriers to school attendance and engagement. Launched in September 2022, this program was developed in collaboration with the Osseo and Robbinsdale school districts and works upstream to enhance family stability and attendance for students in any of the ten partner K-5 elementary schools.
- **Providing mental health programs in schools** – Behavioral Health continues to champion access to mental health care in schools through our school based mental health program. This work is done in partnership with 22 different agencies. More than 230 therapists in more than 220 schools serve about 7,000 students in Hennepin County. Easy access to free and reduced-cost mental health care available in schools has increased access for students from low income families from 13% to 96%.
- **Supporting young parents** – Teen HOPE integrates TANF monitoring with public health home visiting and case management for all Hennepin County young parents who younger than 20 and without a high school diploma or GED when they enroll in MFIP. Participants may remain with Teen HOPE until age 24 if they choose to continue with school and/or training. The vision of Teen HOPE is for young-parent families in Hennepin County to be healthy, educated, prepared for work, and have an

increased standard of living. We meet this vision by providing holistic, upstream services that improve their academic and health outcomes.

Connectivity domain

- **Transporting Medical Assistance participants to appointments** – Non-emergency medical transportation (NEMT) provides the safest, most appropriate, and cost-effective mode of transportation to help medical assistance recipients get to and from nonemergency medical service appointments, including primary care, dialysis and substance abuse treatment. Human Services administers the program by contracting with a transportation broker and serves as the fiscal agent for several counties included in this contract. In 2024, these services provided over 600,000 trips for medical appointments. In accordance with recent state legislation, these services will shift to a DHS-administered contract in July 2026. Human Services will work with DHS and other counties to facilitate the transition.

Climate Action and Resiliency

Strengthening individual and community resilience

- **Providing resources and system navigation to strengthen individual and community resilience** – Navigation and Information Services in the Initial Contact and Access area offers supports, including:
 - Responding and assisting after severe weather events where power outages may require the replacement of food supports
 - Offering health care navigators to aid and support critical populations as they apply for public health care programs
 - Removing barriers to help people access needed supports at the Office of Multicultural Services. Community demand continues to increase, including for onsite services.
- **Supporting partners to increase food security** – Human Services and Public Health partnered with Environment and Energy to contract with 35 partners to distribute \$4 million in food support in 2025. These contracts support food and meal purchases, focused on healthy, culturally relevant options, and provide staff and infrastructure support to ensure that contracted partners can meet the growing food need in Hennepin County. The primary goal of this countywide food security plan is to improve resident health and reduce disparities by addressing food security and access to healthy and culturally relevant foods for all Hennepin County residents. The plan will be complete later this year.

Line of Business: Human Services

HSPH Human Services
Safe Communities
Public Health
HSPH Hennepin Health
HSPH Internal Supports
Human Services Revenues
HSPH Community Healthcare
Opioid Settlement



Line of Business Description:

Human Services strives to improve the outcomes of safety, stability, self-sufficiency and well-being for residents of Hennepin County. We do this by assisting residents to access services and resources and providing direct services through operated programs and community providers.

- Children and Family services -Services aimed at preventing maltreatment, finding safety and stability apart when abuse occurs and working with families and community partners to keep children and teens safe.
- Veterans Services - Advocacy, counseling, claims assistance and special programs for Veterans.
- Housing Stability - Provide resources to people currently experiencing homelessness and resources for sustainable housing in the future.
- Behavioral Health - Adult and Children's mental health services including COPE, Mental Health Center and substance use disorder services.
- Access, Aging and Disability Services - Navigation and services for vulnerable adults and children and adults with disabilities.
- Child Support - Working with families to ensure that children can count on their parents for resources they need to be healthy and successful.
- Economic Supports - Provide public assistance programs to meet the basic needs and increase the self-sufficiency of Hennepin County residents including financial, healthcare and food supports.
- Well-Being - Connect residents with resources and support, including employment, education, and wraparound care.
- Fraud Prevention and Program Integrity - Maintains integrity of departmental programs and ensures accountability in expenditures of public funds through prevention, detection and investigation of fraud and abuse.

Public Health

Public Health uses a health and racial equity framework to focus on improving and protecting the health of children, adolescents and adults in Hennepin county. The goals of Public Health are: all residents and community environments are healthy and safe; mobilize community partnership to identify and solve problems; and use of science, data and a prevention-focused approach to guide and support health and racial equity.

- Clinical Services - Health Care for the Homeless, Public Health Clinic, and Community Based Infectious Disease response.
- Community Health and Strategic Initiatives - Community Engagement, Community Health Improvement Partnership (CHIP), Climate Action, Healthy Aging, Health Promotion, Health and Racial Equity, Quality Improvement, Strategic planning, and Workforce Development.
- Family Health - Adolescent Health, Family Home Visiting, Child and Teen Checkups (C&TC), Maternal & Child Health/Early Childhood; Women, Infants, and Children (WIC).
- Health Protection - Emergency Medical Services, Emergency Preparedness and Response, Environmental Health, Epidemiology, Assessment, ImmuTracks; and Ryan White Program.

Safe Communities

Strategies and services that break the cycle of all forms of violence, including community and gun violence, domestic violence, human trafficking, hate and bias motivated acts. Services include youth programs and supports, victims and survivors services, increased youth employment opportunities, safe affordable housing, improved relations with law enforcement and safe protective environments for communities members to live, work and play.

Opioid Settlement

Hennepin County's Opioid Framework for combatting the opioid epidemic is focused around three pillars: prevention, response and treatment. There are three primary areas in which Hennepin County will expend opioid settlement funds: external contracts with community agencies, internal County department partnerships, and purchase of naloxone for required and volunteer County staff. Priority projects include an education campaign, child protection, medical examiner resources, expansion of clinical treatment in both clinical and correctional settings, and aggressive harm reduction strategies.

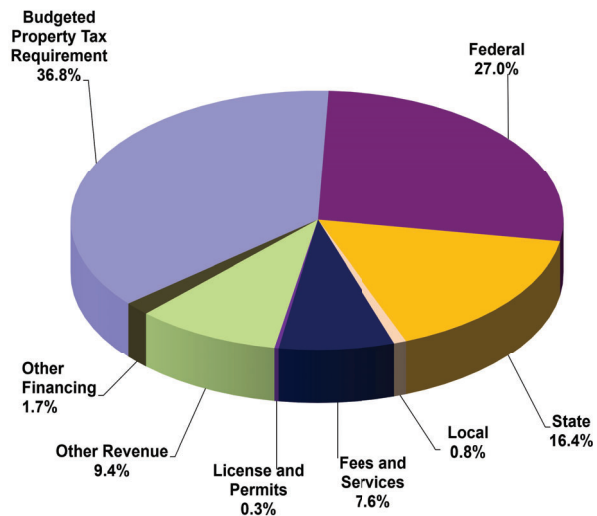
2026 BUDGET
Proposed Budget

Revenue and Expenditure Information	2024 Actual	2025 Budget	2026 Budget
Budgeted Property Tax Requirement*	\$299,587,368	\$313,249,169	\$319,020,783
Other Taxes	132,517	0	0
Federal	217,116,454	228,737,912	222,971,851
State	133,136,368	142,062,128	129,297,458
Local	6,682,191	7,092,087	5,927,987
Investment Earnings	346,290	0	0
Fees for Services	58,482,794	63,972,051	71,438,540
Fines and Forfeitures	0	0	0
Licenses and Permits	2,280,679	2,301,500	2,347,500
Other Revenue	16,821,349	79,240,273	75,892,875
Other Financing	54,766,518	14,000,000	19,162,105
Total Revenues	\$789,352,528	\$850,655,120	\$846,059,099
Personnel Services	\$450,571,085	\$480,177,721	\$473,676,875
Commodities	6,025,632	6,314,818	5,839,819
Services	67,709,914	71,504,723	71,845,813
Public Aid Assistance	265,138,113	267,888,155	268,652,048
Capital Outlay	6,047,927	100,000	86,822
Other Charges	24,791,517	24,669,703	25,957,722
Grants	0	0	0
Other Financing Uses	0	0	0
Total Expenditures	\$820,284,189	\$850,655,120	\$846,059,099
Budgeted Positions (Full-Time Equivalents)	3,928.9	3,955.8	3,718.4

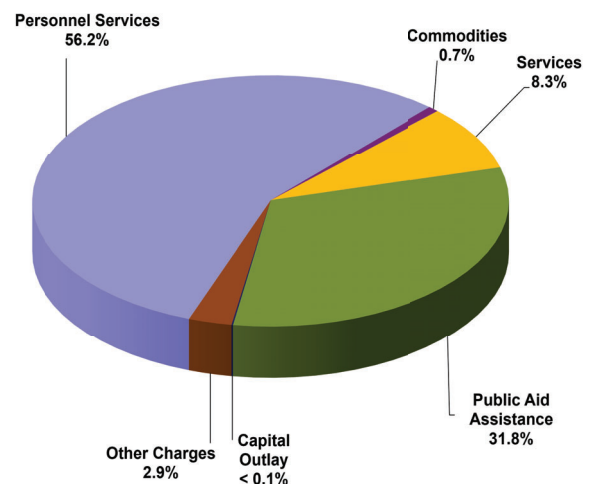
* Reflects the adjusted property tax requirement budget, not actual property tax collections.

Revenue and Expenditure Comparison

2026 Revenue



2026 Expenditures



**2026 BUDGET
Proposed Budget**

Department Expenditure Summary:	2024 Actual	2025 Budget	2026 Budget
HSPH Human Services	648,481,856	672,473,819	675,264,939
Safe Communities	11,953,412	11,703,400	12,229,851
Public Health	83,548,823	86,102,298	77,710,884
HSPH Hennepin Health	1,224,337	1,463,783	1,674,796
HSPH Internal Supports	67,814,699	69,111,159	74,424,917
Human Services Revenues	0	0	0
HSPH Community Healthcare	0	0	0
Opioid Settlement	7,261,062	9,800,661	4,753,712
Total Expenditures	\$820,284,189	\$850,655,120	\$846,059,099

Budgeted Positions:	2024 Actual	2025 Budget	2026 Budget
HSPH Human Services	2,984.0	2,999.0	2,893.4
Safe Communities	22.0	23.0	21.0
Public Health	442.0	451.5	375.6
HSPH Hennepin Health	12.0	12.0	11.0
HSPH Internal Supports	468.9	470.2	417.4
Human Services Revenues	0	0	0
HSPH Community Healthcare	0	0	0
Opioid Settlement	0	0	0
Budgeted Positions (Full-Time Equivalents)	3,928.9	3,955.8	3,718.4

* Community Healthcare was transferred to Health Line of Business budget for 2024.

Revenue Summary:

The 2025 Human Services Line of Business budget accounts for 27.1 percent or \$840.0 million of the 2025 Hennepin County budget of \$3.1 billion. The 2025 budget reflects an increase of 4.2 percent or \$33.9 million when compared to the 2024 adjusted budget. The 2025 Human Services Line of Business will be supported by \$530.9 million in non-property tax revenues and \$309.1 million in property tax. \$14.9 million from the total property tax of \$309.1 million is County Program Aid (CPA), the State of Minnesota provides property tax relief to Minnesota counties and taxpayers through local aid programs.

Below are descriptions of the different revenues within the Human Services Line of Business.

Property Tax Revenues: The Human Services Line of Business is comprised of six divisions: Human Services, Public Health, Hennepin Health, Internal Supports, Safe Communities, and the Opioid Settlement Special Revenue Fund. In 2025, the property tax increase of \$9.5 million or 3.2 percent is due to salaries and benefits expense increases, and in addition of 12.0 FTEs transfer from DOCCR.

Federal: The largest source of non-property tax revenues is federal and make up 27.0 percent of total revenues. The 2025 federal revenues are programmed at \$226.5 million, an increase of \$7.8 million or 3.6 percent when compared to the 2024 adjusted budget. The overall increase is primarily due to \$4.3 million to Administrative Reimbursements, \$2.5 million in Training and Employment, and \$3.7 million in Community Public Health. The increases are partial offset by the decrease of \$2.3 million Human Services federal general grants and decrease of \$0.6 million in Out of Home Placement.

State: The second largest source of non-property tax revenues are obtained from the state and represent 16.4 percent of total revenues. In 2025, \$138.1 million are programmed and when compared to the 2024 adjusted budget is increased by \$5.3 million. Majority of the increase stems from increase of \$2.7 in State Administrative Reimbursement, \$2.0 million in General Assistance, \$0.7 million in Training and Employment, and \$0.5 million in Community Public Health. The increases are offset by \$0.5 million in Human Services State grants.

Local: These revenues stem from private parties, nonprofit institutions, local governments, along with private foundations and are budgeted at \$6.9 million, a reduction of \$3.0 million or 30.3 percent when compared to the 2024 adjusted budget.

Fees for Services: The anticipated revenues related to Fees for Services in 2025 is \$64.0 million, which is an increase of \$11.4 million when compared to the 2024 adjusted budget. These revenues are mostly in the Human Service, Internal Supports, and Public Health divisions and represent revenues from third party payers and state and federal reimbursements for patient fees and services.

All Other Revenues: In 2025, \$95.3 million is programmed for all other revenues and are comprised of licenses and permits of \$2.3 million, interdepartmental payments of \$4.7 million, Opioid Settlement funds of \$4.2 million, Use of fund balance of \$70.1 million, and Local Affordable Housing Aid fund of \$14.0 million for Housing Stability.

Expenditure Summary:

The 2025 Human Services line of business budget accounts for 27.1 percent of the 2024 Hennepin County budget of \$3.1 billion. An increase of 4.2 percent or \$33.9 million from 2024 adjusted budget, and the Human Services will operate with 3,942.8 authorized full-time equivalents (FTEs), which is an increase of 16.9 FTEs more than the 2024 adjusted budget.

The Human Services and Public Health department (HSPH) as a county department is unique in that it spans two of the county's lines of business. Although Public Health is located within the Human Services line of business, they work collaboratively with the Health line of business to improve and protect the health of the community.

Personnel Services: Personnel services increase by \$31.7 million for the 2025 budget when compared to the 2024 adjusted budget with the majority of the expense increases relating to increase positions, benefits and general salary increases, and offset by \$8.0 million of vacancy factor.

Commodities: Primary drivers are increase of \$2.0 million in drugs and medicine due to the 340B contracts with Walgreens and CVS in Public Health clinics and Healthcare for the Homeless Clinic, \$0.3 million in non-capital office equipment and partial offset by \$1.0 million decrease in Opioid Settlement for drugs and medicine. The decrease in the drugs for Opioid was a reduction in Naloxone expenses that are mostly purchased via Public Health clinic to utilize existing grant money from the state.

Services: Overall, service expenditures are increase by 10.8 percent or \$6.8 million for a total of \$69.9 million. Increase is primarily due to \$2.2 million increase in consulting cost, \$1.3 in central IT Data and Network Service, \$1.5 million in contracted medical services in Public Health, \$0.7 million in Interpreters and telephone communication, \$0.8 million in purchase health and social services in HSPH Human Services, and \$0.3 million in other categories.

Public Aid: In 2025, Public Aid expenditures have an increase of 3.9 percent or \$10.1 million when compared to the 2024 adjusted budget of \$257.2 million. The majority of the increase occur in the Human Services division with an increase of \$5.0 million in Regional Treatment and \$9.9 million in Emergency Shelter, \$7.0 million Emergency Response services provided for residential mental health crisis stabilization, increase of \$8.5 million Resource Development comprised of \$4.6 million in Community Violence Prevention, \$1.0 million in Well-Being and \$2.7 million in Housing Stability to develop resources in the community, \$2.1 million payments for Ryan White Part B in Public Health division, \$1.8 million in cost effective health insurance and other various accounts increases. The significant decreases that offset the increases are decrease of \$14.4 million in Chemical Health assessment from the Opioid Settlement to update the non-lapsing budget authority from Public Aid to Personnel, \$5.4 million in Foster Care home in the Children and Family Services, \$3.1 in HSPHD Federal grant reimbursement to subrecipients, \$1.3 million in Employment service and others public aid decreases.

Other Charges: Decrease by 40.6 percent for the 2025 budget is primarily due to one-time federal COVID response funding of \$18.1 million in the 2024 adjusted budget.

Mission

Human Services' mission is to strengthen individuals, families, and communities by improving and striving to meet the outcomes of safety, stability, self-sufficiency, and well-being for the people we serve. We partner with all lines of business to make long-term positive impacts in the domains of connectivity, education, employment, health, housing, income and justice.

Vision

Better Lives, Stronger Communities

Department Description:

Human Services

Human Services strives to improve the outcomes of safety, stability, self-sufficiency and well-being for residents of Hennepin County. We do this by assisting residents to access services and resources and providing direct services through operated programs and community providers.

Public Health

Public Health uses a health and racial equity framework to focus on improving and protecting the health of children, adolescents and adults in Hennepin county. The goals of Public Health are: all residents and community environments are healthy and safe; mobilize community partnership to identify and solve problems; and use of science, data and a prevention-focused approach to guide and support health and racial equity.

Revenue and Expenditure Information	2024 Actual	2025 Budget	2026 Budget
Budgeted Property Tax Requirement*	\$299,587,368	\$313,249,169	\$319,020,783
Other Taxes	\$132,517	\$0	\$0
Federal	\$217,116,454	\$228,737,912	\$222,971,851
State	\$133,136,368	\$142,062,128	\$129,297,458
Local	\$6,682,191	\$7,092,087	\$5,927,987
Investment Earnings	\$1,961	\$0	\$0
Fees for Services	\$58,482,794	\$63,972,051	\$71,438,540
Fines and Forfeitures	\$0	\$0	\$0
Licenses and Permits	\$2,280,679	\$2,301,500	\$2,347,500
Other Revenue	\$4,315,773	\$69,439,612	\$71,139,163
Other Financing	\$54,766,518	\$14,000,000	\$19,162,105
Total Revenues	\$776,502,623	\$840,854,459	\$841,305,387
Personnel Services	\$447,864,475	\$468,402,713	\$473,676,875
Commodities	\$5,644,260	\$6,204,818	\$5,182,006
Services	\$66,835,343	\$70,692,223	\$70,706,072
Public Aid Assistance	\$261,860,142	\$270,895,002	\$265,787,502
Capital Outlay	\$6,040,580	\$0	\$0
Other Charges	\$24,778,327	\$24,659,703	\$25,952,932
Grants	\$0	\$0	\$0
Other Financing Uses	\$0	\$0	\$0
Total Expenditures	\$813,023,127	\$840,854,459	\$841,305,387
Budgeted Positions (Full-Time Equivalents)	3928.9	3955.8	3718.4

*Reflects the adjusted property tax requirement budget, not actual property tax collection.

**Hennepin County
2026 Board Summary
Department Request with Administrator's Recommendations**

Department: Human Services and Public Health

BUDGET DOLLARS		
	Budget	Property Tax
2025 Approved Budget	\$830,209,789	\$309,109,420
Board and GMA Authorized Adjustments	10,644,670	4,139,749
Reorganization In/(Out)	-	-
2025 Adjusted Budget	\$840,854,459	\$313,249,169
2026 Department Requested Budget	\$840,161,878	\$319,408,045
Proposed Adjustments	1,143,509	(387,262)
2026 Proposed Budget	\$841,305,387	\$319,020,783
Percent change from 2025 Adj. Budget	0.1%	1.8%

STAFFING: FULL-TIME EQUIVALENT POSITIONS (FTEs)	
2025 Number of Approved Total Positions	3,942.8
Board Authorized Adjustments	13.0
Reorganization In/(Out)	0.0
2025 Adjusted Number of Total Positions	3,955.8
2026 Department Request for Total Positions	3,713.4
Proposed Adjustments	5.0
2026 Budgeted Total Positions	3,718.4
Change from 2025 Adjusted Number of Total Positions	(237.4)

Significant Items:

The 2026 Proposed Budget of the Human Services and Public Health department includes an overall reduction in expenditures of about \$4.6 million, or (0.5)% when compared to the 2025 Adjusted Budget, with a Property Tax increase of about \$5.8 million, or 1.8%

The 2026 Proposed Budget of the Human Services and Public Health department includes 3,718.4 FTE, which is a decrease of 237.4 FTE when compared to the 2025 Adjusted Budget total FTE of 3,955.8.

Overall, attrition for Human Service has seen a decline over the last year and vacancy has been reduced by 56 FTE or \$4.0 million and 21.5%.

Human Services has implemented (and will continue throughout 2026) an FTE strategy that allows for utilizing attrition and using data to review service area staffing needs against resident service demand at the department level.

Human Services and Public Health is budgeting use of \$66.2 million of fund balance in 2026 and is projecting to spend \$32.7 million in 2025 compared to a budgeted use of fund balance of \$64.5 million.

**Hennepin County
2026 Board Summary
Department Request with Administrator's Recommendations**

Department: Human Services and Public Health

Summary of Board Approved 2025 Budget and Adjustments

	Budget	Property Tax	FTE
Approved Budget: Res. No. 24-0373R1	\$830,209,789	\$309,109,420	3,942.8
1. 2025 Labor Agreement Resolution: 25-0257	6,557,400	4,139,749	0.0
2. BAR 25-0042 Mental Health Innovations grant	400,392		3.0
3. BAR 25-0045 Embedded Social Worker Program	115,826		1.0
4. BAR 25-0046 Adult Mental Health Initiative grant			1.0
5. BAR 25-0074 Embedded Social Worker Program	115,826		1.0
6. BAR 25-0091 Improve employment outcomes for disabled	1,378,300		2.0
7. BAR 25-0155			2.0
BAR 25-0156 MN African American Family Preservation and Child			
8. Welfare	250,000		0.0
9. GMA 0096-24 ABT Global PMP Study Pilot Project	100,000		1.0
10. GMA 0113-25 Network of Community Resource Centers	127,000		0.0
11. GMA 0126-25 Pohlad Discretionary direct allocation	50,000		0.0
12. GMA 0099-24 Cannabis & Sustainable Use Prevention	400,018		2.0
13. GMA 0111-25 Family Home Visiting Food Assistance	13,000		0.0
14. GMA 0118-25 Drug Checking Grant-Red Door	165,000		0.0
15. GMA 0121-25 CARGOS Grant – Red Door Clinic	60,000		0.0
16. GMA 0122-25 Statewide Health Improvement Partnership	10,000		0.0
17. GMA 0129-25 Emerging Infections Program	20,000		0.0
18. GMA 0130-25 HIV Prevention Project (Red Door)	190,000		0.0
19. GMA 0136-25 Birth Justice Collaborative	691,908		0.0
2025 Adjusted Budget	\$840,854,459	\$313,249,169	3,955.8

2026 Proposed Budget

	Budget	Property Tax	FTE
Department Request	\$840,161,878	\$319,408,045	3,713.4
Proposed Adjustments			
1. Reduced federal revenue; increased use of fund balance	24,358	-	-
2. Reduced fees for services revenue; increased use of fund balance	(1,164,192)	-	-
3. Increased state revenue; decreased use of fund balance	1,983,253	-	-
4. Increased use of LAHA; decreased use of fund balance	662,105	-	-
5. Service agreement with Hennepin Health for 2.0 LTD social workers	315,952	-	2.0
6. Add 1.0 FTE for HSPH Hennepin Health, with planned vacancy	0	-	1.0
7. Add 3.0 FTE for interns for Child and Family Services	167,544	-	3.0
8. Transfer 1.0 FTE to Health Administration department	17,075	(137,262)	(1.0)
9. Other adjustments	(862,586)	(250,000)	-
2026 Proposed Budget	\$841,305,387	\$319,020,783	3,718.4

Summary Of Proposed Adjustments:

The Proposed Budget includes 39 adjustments to the requested budget, many of which are technical in nature as updated rates and agreements were incorporated into the budget planning process. These adjustments have been summarized into 9 categories of change items.

1. Federal revenue assumptions
2. Fees for Services revenue assumptions
3. State revenue assumptions
4. Local Affordable Housing Aid assumptions
5. Hennepin Health service agreement for 2.0 social workers
- 6 - 8. Adjusted FTE allocations for multiple divisions
9. Other technical adjustments

More details on revenue changes in the department budget can be found in the next pages of this summary.

Department	2025 Adjusted Budget	2026 Proposed Budget	Percent Change	TOTAL FTE 2025	2026
HSPH Human Services	672,473,819	675,264,939	0.4%	2,999.0	2,893.4
Safe Communities	11,703,400	12,229,851	4.5%	23.0	21.0
Public Health	86,102,298	77,710,884	-9.7%	451.5	375.6
HSPH Hennepin Health	1,463,783	1,674,796	14.4%	12.0	11.0
HSPH Internal Supports	69,111,159	74,424,917	7.7%	470.3	417.4
TOTAL	\$840,854,459	\$841,305,387	0.1%	3,955.8	3,718.4

Hennepin County
2026 Board Summary
Department Request with Administrator's Recommendations

SUMMARY OF REVENUES AND EXPENDITURES

Department: Human Services and Public Health

	2024 Year-End Actuals	2025 Adjusted Budget	2026 Proposed	Amount Change	Percent Change
Property Tax	\$299,587,368	\$313,249,169	\$319,020,783	\$5,771,614	1.8%
Revenues:					
Federal	\$217,116,454	\$228,737,912	\$222,971,851	(\$5,766,061)	-2.5%
State	133,136,368	142,062,128	129,297,458	(12,764,670)	-9.0%
Local	6,682,191	7,092,087	5,927,987	(1,164,100)	-16.4%
Investment Earnings	1,961	-	-	-	0.0%
Fees for Services	58,482,794	63,972,051	71,438,540	7,466,489	11.7%
Licenses and Permits	2,280,679	2,301,500	2,347,500	46,000	0.0%
All Other Revenues	4,315,773	69,439,612	71,139,163	1,699,551	2.4%
Other Taxes	132,517	-	-	-	0.0%
Total Revenues	\$422,148,737	\$513,605,290	\$503,122,499	(\$10,482,791)	-2.0%
Total Revenues With Property Tax	\$721,736,105	\$826,854,459	\$822,143,282	(\$4,711,177)	-0.6%
Expenditures:					
Personnel Services	\$447,864,475	\$468,402,713	\$473,676,875	\$5,274,162	1.1%
Commodities	5,644,260	6,204,818	5,182,006	(1,022,812)	-16.5%
Services	66,835,343	70,692,223	70,706,072	13,849	0.0%
Public Aid Assistance	261,860,142	270,895,002	265,787,502	(5,107,500)	-1.9%
Capital Outlay	6,040,580	-	-	-	0.0%
Other Charges	24,778,327	24,659,703	25,952,932	1,293,229	5.2%
Total Expenditures	\$813,023,127	\$840,854,459	\$841,305,387	\$450,928	0.1%
Other Financing					
Other Financing Sources	54,766,518	14,000,000	19,162,105	5,162,105	37%
Total Other	\$54,766,518	14,000,000	19,162,105	5,162,105	36.9%
FTEs:					
Total FTEs	3,876.1	3,955.8	3,718.4	(237.4)	-6.0%

Note: 2024 Actual FTEs represent the final pay period in 2024. Source: County Wide FTE Report

EXPLANATION OF SIGNIFICANT CHANGES IN REVENUE

Property Tax: Three divisions increased their property tax requirement and one division decreased its property tax requirement. One division does not use property tax funding. The result is a department-wide increase in property tax of 1.8%. The offset of property tax requirement due to the County Program Aid (CPA) distribution is not included in the following property tax requirement by division.

Human Services:	\$228,076,937	(+2.1%)
Safe Communities:	\$5,173,192	(-2.0%)
Public Health:	\$20,872,013	(+2.0%)
HSPH Hennepin Health:	\$0	(0%)
HSPH Internal Supports:	\$64,898,641	(+1.3%)

Federal: Decreases to federal revenue are due to adjustments made to SNAP based on new rules, shifts based on trends in time studies, and grants that are ending. Medicaid funding can fluctuate due to staffing changes between divisions or changes in resident activities and eligibility. Revenues are budgeted in the Human Services division and the Public Health division.

State: There is a state component to many federally funded programs that decrease or increase along with resident activities and eligibility. Note: Within the department's proposed budget, County Program Aid (CPA) is not identified as a state revenue. CPA will be allocated to the Human Services special revenue fund as an offset to property taxes. The 2026 CPA amount for HSPH is anticipated to be \$15,069,814.

Fees For Services: Several modest fee increases are requested for the 2026 budget related to Environmental Health fees, Rep Payee administration fees, and attorney and paralegal fees for appointments of guardians or conservators in In Forma Pauperis (IFP) cases. HSPH requested that Client Fees are updated to bring these fees in line with the Minnesota Department of Human Services sliding fee charge schedule.

Use Of Fund Balance: Budgeted use of fund balance is proposed to slightly increase in 2026. Of the total budgeted use of fund balance, Human Services utilizes \$43 million (72%), Safe Communities utilizes \$6.7 million (11%), Public Health utilizes \$8.4 million (14%), and HSPH Internal Supports utilizes \$7.7 million (13%). HSPH Hennepin Health does not budget use of fund balance.

Other Financing Sources: Interfund revenue transfers from the Local Affordable Housing Aid supports four programs in HSPH (Human Services):

Housing Emergency Program / Rental Assistance (ongoing)	\$5 million
24/7 Shelter operations (ongoing)	\$9 million
Supportive Housing operating costs (ongoing, amount varies year-to-year)	\$662,105
Family Overflow Shelter (short-term, ends 2027)	\$4.5 million

EXPLANATION OF SIGNIFICANT CHANGES IN SPENDING

Expense Category Summary

Personnel Services: Salaries, benefits, and costs to the employer due to labor agreements continue to increase countywide. Leaders in HSPH are implementing staff management strategies to maintain resident services and operations with reduced workforces. Decreases to FTE (and associated costs), including a decrease in vacancy factor, contributed to the relatively small monetary increase in this expenditure category. Vacancy factor accounts for approximately 150 FTE; 2026 attrition rates are estimated to be about 12 FTE per pay period. HSPH has budgeted to hire 15 FTE in 2026, prioritizing critical resident-facing positions.

Commodities: Commodity decreases are largely due to a decrease in 403B Pharmacy drug pricing program in the Public Health division, which are tied to federal revenues that are also expected to decrease in 2026.

Services: Decreases in consulting, advertising, medical and laboratory contracted services in the Public Health and Human Services divisions help offset the increased IT costs for data center and network services in HSPH Internal Supports.

Public Aid: Public Aid programs fluctuate in response to resident activities and available funding. HSPH prioritized keeping these programs and long-standing contracts with community providers intact for the 2026 budget.

Service Area Summary

Human Services: Includes Children and Family Services, Veterans Services, Housing Stability, Behavioral Health, Access, Aging and Disability Services, Child Supports, Economic Supports, and Well-Being. The largest cost drivers in this division are personnel services and Public Aid Assistance, which make up 54% and 36%, respectively, of the division's expenditure budget. Human Services budgeted a \$12.1 million reduction in intergovernmental revenues, partially offset by a \$9.1 million increase in fee revenues. This division also receives Local Affordable Housing Aid (\$19.1 million) via interfund revenue transfers to support several programs. While some services and public aid assistance decreased due to a decrease in federal, state, or local funding, this division continued its commitment to those programs where possible while holding its property tax requirement increase at 2.1% and decreasing its budgeted use of fund balance by 9.3%.

Safe Communities: The largest cost driver for this division is Public Aid Assistance, which makes up 72% of the division's expenditure budget. These contracts and services aim to reduce community and gun violence, human trafficking, and hate- and bias-motivated actions. This division utilizes fund balance as its only resource to support its programs and has no other revenues. Budgeted use of fund balance in this division increased by 12.1%.

Public Health: Includes Clinical Services, Family Health, Health Protection, Community Health, and Strategic Initiatives. The largest cost driver in this division is personnel services, which makes up 60% of the division's expenditure budget. Public Health budgeted a \$7.7 million reduction in federal and state revenues, as well as a \$3.6 million reduction in fees related to the 430B Pharmacy federal drug pricing program. This division reduced services and contracts partially due to the reduction in federal and state revenues, while other costs were prioritized and managed with the resources available. Budgeted use of fund balance in this division increased by 5.8%.

HSPH Hennepin Health: This division does not use property tax funding or fund balance. The largest cost driver in this division is personnel services, which makes up 91% of the division's expenditure budget. This division is entirely supported by revenues from reimbursements from Hennepin Health (in the Health line of business). Staff in this division support Hennepin Health members navigate county social services and healthcare programs.

HSPH Internal Supports: Includes Contracting, Finance, Information Technology, and Internal Services.. The largest cost drivers in this division is personnel services and other services like IT data center and network services, software maintenance, communications and utilities, and printing and imaging costs. A portion of these expenditures are allocated as indirect or administrative costs to various grants when eligible, but the majority of this division is supported by property tax and budgeted use of fund balance. Increases in county indirect cost allocations and IT costs contribute to higher funding needs, which were managed by the department through a property tax requirement increase of 1.3% and an increase in budgeted use of fund balance of 57.2%.

Mission

To save lives, reduce disparities, and heal people and communities by preventing and treating opioid use.

Department Description:

The County is a participating government in opioid settlements with pharmaceutical manufacturers, distributors, and pharmacy chains. The County receives payments subject to Minnesota State-Subdivision Memorandum of Agreement, which provides that opioid settlement funds shall not be considered funds of the State or any participating local government until each distribution is made. Therefore, the County does not report receivables and recognize revenue until the year the distributions are made. Unspent opioid settlement revenues will be restricted for future eligible costs relating to the impacts of opioid addiction.

Revenue and Expenditure Information	2024 Actuals	2022-25 Budget *	2026 Budget
Budgeted Property Tax Requirement	\$0	\$0	\$0
Other Taxes	0	0	0
Intergov Grants Federal	0	0	0
COVID Response	0	0	0
Administrative	0	0	0
Intergov Grants State	0	0	0
Investment Earnings	344,329	0	0
Fees for Services	0	0	0
Licenses and Permits	0	0	0
Other Revenue (Opioid Settlement)	12,505,575	20,767,178	10,794,212
Budgeted (add)/use of Fund Balance	0	5,235,338	(6,040,500)
Total Revenues	\$12,849,904	\$26,002,516	\$4,753,712
Personnel Services	\$2,706,610	\$13,616,030	\$0
Commodities	381,372	610,000	657,813
Services	874,574	812,500	1,139,741
Public Aid Assistance	3,277,970	10,853,986	2,864,546
Capital Outlay	7,347	100,000	86,822
Indirect Charges	0	0	0
Other Charges	13,190	10,000	4,790
Grants	0	0	0
Total Expenditures	\$7,261,063	\$26,002,516	\$4,753,712
Budgeted Positions (Full-Time Equivalents)	0.0	0.0	0.0

* The Opioid Settlement special revenue fund has non-lapsing expenditure authority. The 2026 budget amount would be added to the cumulative budget authority, if approved by the Board. The 2024 Actuals column represents expenditures from the 2024 time period.

2026 Budget Hearing Schedule

(as of January 3, 2025)

Tuesday, September 16, 2025 – 1:30 p.m.

County Administrator presents proposed 2026 budget to the County Board

Thursday, September 25, 2025 – 1:30 p.m.

County Board adopts maximum 2026 property tax levy.

HCRRA and HCHRA maximum levies are approved by their respective boards.

Monday, September 29, 2025, 12:00 noon

Disparity Elimination

Wednesday, October 1, 2025, 12:00 noon

Law, Safety and Justice and Public Works

Monday, October 6, 2025, 12:00 noon

Hennepin County Sheriff and Hennepin County Attorney

Monday, October 20, 2025, 12:00 noon

Capital Budget Public Hearing, Capital Budgeting Task Force (CBTF) presentation,
Fees Public Hearing

Wednesday, October 22, 2025, 12:00 noon

Resident Services and Operations

Thursday, October 23, 2025, 12:00 noon

Health, Human Services and Public Health

Monday, November 10, 2025, 12:00 noon

Administrator amendments

Thursday, November 20, 2025, 12:00 noon

Commissioner amendments

Tuesday, December 2, 2025, 6:00 pm

Truth in Taxation Public Hearing

Thursday, December 11, 2025 – 1:30 pm

County Board approves 2026 budget / levy at regularly scheduled board meeting